

Dear Prospective Glacier Bay Guided Sea Kayaking Operator:

Below are responses to questions that the NPS has received regarding the business opportunity to provide guided sea kayaking services at Glacier Bay National Park and Preserve (Solicitation # GLBA-009-04). We have sent these to you because you requested a copy of the prospectus detailing this business opportunity. See the Prospectus, Proposal Instructions, page 2 of 7: Item # 7) for information regarding questions.

Thanks,

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Chief of Concessions  
Glacier Bay National Park & Preserve  
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1. Please provide a definition of "gross receipts" (as it relates to franchise fees) under the expiring concession authorization [ref. Business Opportunity, page 2-3 of 7].

Response: Gross Receipts are defined in the expiring Contract, in 8. Fees; (d).: "The term "gross receipts" as used in this PERMIT shall mean the total amount received or realized by, or accruing to, the Concessioner from all sales for cash or credit, of services, accommodations, materials, and other merchandise made pursuant to the rights granted by this PERMIT, and commissions earned on contracts or agreements with other persons or companies operating in the Area, and excluding gross receipts from the sale of genuine United States Indian and native handicraft, intracompany earnings on account of charges to other departments of the operation (such as laundry), charges for employees' meals, lodgings, and transportation, cash discounts on purchases, cash discounts on sales, returned sales and allowances, interest on money loaned or in bank accounts, income from investments, income from subsidiary companies outside of the Area, sale of property other than that purchased in the regular course of business for the purpose of resale, and sales and excise taxes that are added as separate charges to approved sales prices, gasoline taxes, fishing license fees, and postage stamps, provided that the amount excluded shall not exceed the amount actually due or paid government agencies, and amounts received as a result of an add-on to recover utility costs above comparable utility charges. All monies paid into coin operated devices, except telephones, whether provided by the Concessioner or by others, shall be included in gross receipts. However, only revenues actually received by the Concessioner from coin-operated telephones shall be included in gross receipts."

A copy of the entire expiring permit is on our website at:  
<http://www.nps.gov/glba/InDepth/admin/commercial/kayak/index.htm>

Please note that the new permit definition of gross receipts is located in the Prospectus Addendum 1, to the Draft Contract, General Provisions, Definitions 1 (f) [page 1 of 5].

2. Please reconcile the gross receipts with the number of clients [ref. Business Opportunity, page 2-3 of 7].

Response: In 2003 \$44,016 day tour gross/564 day tour clients = \$78/gross/person; \$252,472 expedition gross/199 clients = \$1,268/gross/person.

3. Can you provide the 2003 Gross Receipts and Franchise Fees [ref. Business Opportunity, page 2-3 of 7]?

Response: 2003 reported Gross Receipts are \$296,488; franchise fee was \$5,930

4. How were the franchise fees calculated in 2002?

Response: The franchise fees under the expiring contract were 2% of gross receipts.

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